

## H-1020 REGULAR AND SPEND DOWN MEDICALLY NEEDY – MAGI-RELATED

### H-1021 ELIGIBILITY DETERMINATION PROCESS

Determine eligibility by applying the following criteria. The elements are listed in the most logical order, but all steps should be performed simultaneously.

#### H-1021.1 Determine Assistance Unit

Include anyone who was not eligible in a MAGI-related group because of income. Refer to [I-1550, MAGI Determinations](#).

**Reminder:**

Do not include sanctioned individuals. Do not add anyone to the original MAGI-related household

#### H-1021.2 Establish Categorical Requirements

Categorical requirements must have been established in the Parents and Caretaker Relatives Group, Pregnant Women Group or Children Under Age 19 Group.

**Exception:**

MNP eligibility cannot be considered for beneficiaries in the optional Adult Group.

#### H-1021.3 Establish Nonfinancial Eligibility

Non-financial eligibility requirements must have been established in Parents and Caretaker Relatives Group, Pregnant Women Group or Children Under Age 19 Group:

- [Age – MAGI-Related](#) I-100
- [Assignment of Third Party Rights](#) I-200
- [Citizenship/Identity and Qualified Non-Citizen Status](#) I-300

- [Enumeration](#) [I-600](#)
- [Residence](#) [I-1900](#)

#### H-1021.4 Establish Need

Household composition for MAGI-related MNP shall only include those individuals that were in the original MAGI household. Refer to [I-1550, MAGI Determinations](#).

##### Regular Medically Needy

Compare the total countable income to the monthly MNIES for the number of people in the MAGI-household.

If income is equal to or less than the MNIES, the assistance unit is income eligible for Regular MNP.

If income is greater than the MNIES, the assistance unit is ineligible for Regular MNP. Consider for Spend-down MNP.

##### Spend-down Medically Needy

If the applicant has been determined income ineligible for Regular MNP, convert monthly MAGI income to quarterly MAGI income by multiplying by three, subtract quarterly MNIES for the number of people in the MAGI household, and subtract medical bills from the excess income in the following order:

- Step 1. Subtract allowable bills for individuals other than the applicant who are included in the MAGI Household.
- Step 2. Subtract unpaid bills for services received up to 3 months prior to the month of application in chronological order.
- Step 3. Subtract allowable health insurance premiums. Refer to H-1011.5, Bills Allowed in the Spend-down process.

##### Note:

Liability for health insurance premiums arises in the month payment is due, rather than in the month (or

months) for which coverage is purchased.

- Step 4. Subtract paid and unpaid bills including insurance co-payments and deductibles incurred for services received within the spend-down quarter in chronological order (per diem if necessary), oldest to most recent. Hospital bills shall be used before physician bills in the spend-down process.

On the date excess income is equal to the allowed medical expenses (“spent down”), the applicant is eligible for Spend-down MNP. This date is referred to as the spend-down date. Eligibility begins the date the excess income is spent down.

If there is no Medicaid liability in the month that the income is spent down, eligibility begins on the following date, whichever is earlier:

- The first day of the month after the spend-down date, in which there is a Medicaid liability; or
- The first day of the month of the requested period of coverage \*\*.

**Note:**

Refer to [H-1011.4 Limited Certifications for Non-Institutionalized Individuals](#) for limited\_one or two month certifications.

## **H-1021.5 Eligibility Decision**

### **Regular MNP**

Evaluate all eligibility requirements and verification received to make the eligibility decision.

### **Spend-down MNP**

Evaluate all eligibility requirements and verification received to make the eligibility decision.

## **H-1021.6 Certification Period**

### **Regular MNP**

The certification period shall not exceed 6 months.

**Spend-down MNP**

Certification begins no earlier than the spend-down date and shall not exceed three months. This certification will be automatically closed. Refer to [H-1011.3 Eligibility/Budget Period](#).

**Note:**

An individual who attained Medicaid eligibility through a spend-down while pregnant is eligible for the extended postpartum coverage even if the individual does not have sufficient incurred medical or remedial care expenses to meet their spenddown in any subsequent budget period during the pregnancy or extended postpartum period.

**H-1021.7 Notice of Decision**

Send the appropriate notice of decision to the applicant/beneficiary.

**H-1021.8 Form 110-MNP**

BHSF Form 110-MNP must be completed listing each provider who rendered medical services on the spend-down date. \*\*